GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2094
ANSWERED ON:05.08.2005
INVESTMENT IN INFRASTRUCTURE SECTOR
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Will the Minister of FINANCE be pleased to state:

(a) the estimated investment made by the Union Government in infrastructure sector in India in the current year;

(b) the share of investment in infrastructure in GDP;

(c) whether there is increase in such share or decline in the country during the last three years;

(d) plans of the Government to further stepping up investment in infrastructure;

(e) whether private sector has taken the responsibility of providing funds for infrastructure development in India;

(f) if so, the details of top 10 private companies which have invested in infrastructure development during the last three years; and

(g) the details of reciprocal favours are made available to such companies by the Government?

Answer

Minister of State In the Ministry of Finance (SHRI S.S. PALANIMANICKAM)

(a) The central plan outlay for energy, transport and communications sectors and telecommunication and electronic industries for 2005-06 (Budget Estimates) is Rs. 1,13,614.6 crore (Expenditure Budget Vol. I, 2005-06)

(b & c) The share of gross capital formation in infrastructure as a proportion of GDP was 4.5 per cent, 3.3 per cent and 3.5 per cent during the years 2001-02, 2002-03 and 2003-04 respectively.

(d, e, f and g) Infrastructure development requires large investments that cannot be undertaken out of public financing alone and in order to attract private capital as well as the techno-managerial efficiencies associated with it, the government is committed to promoting Public Private Partnerships (PPPs) in infrastructure development. The Government has put into effect a Scheme for Financial Support to PPPs in Infrastructure and has made a provision of Rs. 1500 crore for it during 2005-06. A Committee on Infrastructure under the chairmanship of Prime Minister has been constituted to expedite and streamline infrastructure projects and reforms. Certain fiscal concessions are also extended to investments in the infrastructure sector. Some of the major private companies investing in infrastructure development during the last three years are Tata Power Co.Ltd., Reliance Energy Ltd., Bharti Tele-Ventures Ltd., Videsh Sanchar Nigam Ltd., Jaiprakash Associates Ltd., Reliance Utilities & Power Ltd., Tata Tele Services Ltd., Jindal Thermal Power Co. Ltd., Torrent Power A E C Ltd and Gujarat Gas Co. Ltd.